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SUBJECT: SINGAPORE TO BUILD LIQUEFIED NATURAL GAS TERMINAL

REF: SINGAPORE 1916

Minister of Trade and Industry (MTI) Lim Hng Kiang on August 7 announced that Singapore plans to construct what could be Southeast Asia's first liquefied natural gas (LNG) import terminal. The LNG terminal will help diversify both the type and source of Singapore's energy imports. Natural gas from Malaysian and Indonesian pipelines currently supplies 70-80 percent of Singapore's electricity needs, and thirty percent of Singaporeans briefly lost power during a 2004 pipeline service disruption. MTI said that the request-for-proposal process will begin next year and projected the terminal will commence operations in 2012. HERBOLD